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UNLOCKING THE MYSTERIES OF GST

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to **Connect** with
your neighbour

Today's speaker



Marnie Stretch, CPB
Owner, Accounting Loft
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Today's speaker



Marnie Stretch, CPB
Owner, Accounting Loft

Certified Professional Bookkeeper, IPBC

Member of the Intuit Trainer Writer Network

Part-time instructor at NAIT

Insightful Accountant Top 100 ProAdvisor 2017

Background in media production

Mom of Gabriel, fiancé of Steve

I love to kayak, travel, and dance; I'm learning French

AGENDA

- **Tax Codes**
- **Journal Entries**
- **Filing Workflow**
- **Penalties & interest**
- **Adjustments**
- **Special Codes**



NEW RELEASES

- **Ability to UNDO FILING**
(accountant user)
- **Ability to INACTIVATE tax and group rates** (any user)
- **Cleanup of Quebec tax codes**
- **Non-deductible GST**
(purchases) can now post back into original account (special codes)

COMING ATTRACTIONS

- **Customer tax codes**
- **JE's to the tax center**
- **Some kind of dashboard redesign** – which we will be running rapid prototyping sessions on

Tax Codes

KNOW WHAT GOES ON LINE 101!

- Exempt sales on *sales receipts, invoices, credit memos* hit line 101; out of scope sales on the same don't.
- Exempt sales on *JEs, deposits* hit line 101; blank or out of scope on same don't. *Be careful to choose correct code, you can grab a purchase code by accident**
- *NOTE:* Sales Receipts, Invoices, Credit Memos have to have tax code. JEs and Deposits can be left blank.

WHAT ABOUT PURCHASE TAX CODES?

- **Z, E, Out of Scope....does it really matter?**
- **Which Out of Scope should I use? Out of Scope versus Out of Scope code.**
- **Watch for third-party app entries importing with incorrect codes.**

Journal Entries

NEED TO KNOW

- Don't post directly to the GST/HST Payable account. *It doesn't hit the module.*
- Watch for Wagepoint and other third-party JEs that do.
- Don't over/under report Line 101 when using JEs to move money on/off Income Statement.

Filing Workflow

START WITH SALES TAX CODE REVIEW

- *Reports > All Reports > Business Overview > Profit and Loss Detail*
- Click Customize
- Click Rows/Columns, click Change columns
- Remove **Split** and **Balance** (optional, but I prefer less columns when I'm doing this)
- Add **Tax Code** (and **Tax Amount if desired**)
- Click Run report
- Filter for desired dates; click Run report
- Be sure to **Save customization**

ONCE YOU'RE DONE THE SALES TAX CODE REVIEW

**Balance Sheet
matches sales
tax centre**

- Difference could be due to a JE
- Drill down into GST/HST Payable to make sure you have no errant JEs

**View reports
drop down: run
three reports**

- Taxable sales summary
- Transactions without sales tax (tip: sort by type)
- Profit and loss

**Prepare return
drop down: run
three reports**

- View summary
- View GST/HST details
- View exception details

**Prepare
return: print as
PDF**

- You can't come back to print this one
- You can exit anytime
- Here's where you make adjustments

**Looks good?
Mark as filed**

- You still need to file with the CRA
- Make the payment in the sales tax centre (payments can be deleted if entered incorrectly)

TIP: Review all reports first to ensure accuracy; once you're happy, print or save all reports as PDF!

IMPORTANT

- **Always compare the Balance Sheet to the amount due showing in the sales tax centre.**
- **Sales Tax Filings & Payments must be done in order if you want to use the centre.**

Penalties & Interest

OPTIONS

ONE (paid with remittance)

When recording payment in sales tax centre, enter ENTIRE amount including penalties & interest. The difference will post to GST/HST Suspense. And it will match the bank feed.

Enter a JE to capture the penalties and interest (debit) and credit your GST/HST Suspense account *or*

Enter a zero dollar bill, first line penalties and interest, second line negative GST/HST Suspense account.

TWO (paid with remittance)

When recording payment in sales tax centre, enter amount due. Do not include penalties & interest. Make payment from a **Clearing** account.

Enter an EXPENSE from the **Clearing** account showing the penalties & interest.

In the Bank Feed, you can accept the amount of the payment as a transfer from the **Bank** account to the **Clearing** account.

THREE

Remit separately from filing!

Enter as bill; pay bill

Adjustments

A FEW EXAMPLES

- Balance sheet doesn't match sales tax centre
- Actual CRA filing doesn't match sales tax centre
- Provinces that have PST commissions
- *TIP: 'Adjust' will post to the GST/HST Payable account and another account of your choosing*

Special Codes

LINKS

- **Meals:** <http://bit.ly/2B7dPDg>
- **Charity – GST on Sales:**
<http://bit.ly/2Dmr9ZH>
- **Charity – PSB Rebate:**
<http://bit.ly/2B7MC3s>

ONE LAST TIP

Having trouble assigning account numbers or making changes to GST/HST accounts?
Click on the pencil to edit.

Chart of Accounts

Reconcile

Chart of Accounts

Run Report

New

Filter by name or number

NUMBER	NAME	TYPE ▲	DETAIL TYPE	CURRENCY	TAX RATE	QUICKBOOKS BALA	BANK BALANCE	ACTION
	Chequing	Bank	Chequing	CAD		23,127.94	40,071.20	Account history ▼
	Accounts Receivabl	Accounts receiv...	Accounts Recei...	CAD		22,357.04		Account history ▼
	Accounts Receivabl	Accounts receiv...	Accounts Recei...	USD		0.00		Account history ▼



Questions?





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